

Society for Corporate Governance – CARB Meeting

Meeting Summary January 28, 2026

Thank you to CARB staff and meeting participants for a constructive and candid discussion regarding implementation of California’s climate disclosure requirements under SB 253.

Participants

CARB:

- Syd Vergis, Assistant Division Chief, Industrial Strategies Division
- Jordan Ramalingam, Branch Chief, Climate Data & Risk Reporting Branch

Society for Corporate Governance (Representatives):

- Andrew Lembeck-Edens, Strategy and Sustainability Senior Advisor, Edison International
- Cassie Pemberton, Senior Corporate Counsel – Environmental Sustainability, Microsoft
- Corinne Martin, Assistant General Counsel – Sustainability, The Home Depot
- Julie Rizzo, Partner, K&L Gates
- June Hu, Special Counsel, Sullivan & Cromwell
- Mary Wheeler, Senior Vice President, Assistant General Counsel, Regions Financial
- Randi Morrison, General Counsel & Chief Knowledge Officer, Society for Corporate Governance

Key Discussion Themes and Takeaways

1. Shared Support for Policy Objectives

Society representatives reiterated support for the aims of California’s climate disclosure laws and the importance of implementing regulations that are workable, aligned with established corporate reporting practices, and capable of being complied with fully and accurately without creating unnecessary legal, reputational, or operational risk.

2. SB 253 Reporting Timing and the August 10, 2026 Deadline

A central focus of the discussion was the proposed August 10, 2026, SB 253 reporting deadline, including its applicability both to initial reporting and to future reporting cycles based on the six-month post FYE timeline outlined in the Staff Report accompanying the Initial Regulation.

While the Initial Regulation permits companies whose fiscal year ends after February 1 in a calendar year to report emissions data for their fiscal year ending in the previous calendar year, based on the ~six-month reporting timeline applicable to companies whose fiscal year ends on or before February 1 in a calendar year, and the implication in the Staff Report that six months of time between fiscal year-end and the proposed reporting deadline is adequate,¹ the discussion focused on the time it takes companies to

¹ Staff Report at 15: “Companies whose fiscal year ends after February 1, 2026 in a calendar year, would report data based on the fiscal year ending in the previous calendar year (in this case, FY 2024-25 data), while also having the option to report data based on the more recent fiscal year where available. This approach guarantees at least six

publicly report their emissions data in a regulatory filing regardless of their fiscal year-end due to the implications for certain companies in 2026 that would be subject to a ~six-month reporting deadline and the implications for all reporting companies after the first reporting year.

Key points discussed:

- Many companies — including mature GHG reporters — require more than six months after fiscal year-end to finalize Scope 1 and Scope 2 emissions data suitable for inclusion in a regulatory filing.
- Current reporting timelines reflect:
 - Data collection and validation across often complex, global operations
 - Internal controls and governance processes
 - Management review and approval and other internal governance processes (e.g., board of directors engagement/oversight)
 - Alignment with other mandatory and voluntary disclosures
- Current Society survey data indicates that a majority of companies would not be able to comfortably submit SB 253-compliant Scope 1 and Scope 2 data in a regulatory filing within six months of their fiscal year-ends.

3. Distinction Between MRR Deadlines and SB 253 Reporting

Participants discussed the important distinction between MRR program verification timelines and SB 253 reporting requirements:

- MRR verification deadlines are designed for a different regulatory purpose and reporting structure.
- Applying the MRR verification deadline as a proxy for SB 253 reporting does not reflect the broader scope, governance, and assurance processes required for company-wide emissions disclosures under SB 253.
- Using the MRR deadline as the SB 253 filing date creates misalignment with how companies actually prepare, review, and finalize GHG emissions disclosures.

4. Practical Reporting Timelines for Mature Companies

Using the exemplar reporting timeline shared in advance of and during the meeting, representatives of Home Depot, Microsoft, Edison International, and Regions Financial walked through the typical sequence of steps and processes required for high-quality GHG reporting at their companies, including:

- Data collection and calculation
- Internal and third-party review
- Drafting and iterative review
- Executive approval and signoff

Even when steps occur concurrently, these processes commonly extend to ~nine months post-fiscal year-end.

5. Role of Assurance and Data Integrity

Although assurance is not required by CARB for 2026 reporting, participants emphasized that:

months of time between fiscal year end and the proposed reporting deadline, to provide additional flexibility and accommodate the wide range of fiscal year timelines.”

- For many mature reporters, assurance is an established and non-negotiable component of emissions reporting.
- Companies face material legal, reputational, and operational risks if they are forced to submit data that later requires revision.
- Consistency with prior disclosures and alignment across multiple reporting audiences are critical considerations.

6. CARB Is One of Multiple Disclosure Audiences

The discussion highlighted that companies' GHG disclosures are used by multiple stakeholders beyond CARB, including investors, regulators, customers, and global standard-setting regimes.

- While the regulations permit use of "best-available data" in the first reporting year, companies remain focused on accuracy, completeness, and internal consistency.
- Many companies are simultaneously reporting under CDP, voluntary sustainability frameworks, and international standards.

Recommendations and Next Steps

Consistent with prior Society comment letters and discussions with legislative stakeholders,² the Society reiterated its recommendation that CARB remain prepared to accept SB 253 submissions beginning August 10, 2026, while permitting companies to submit initial SB 253 reports on a rolling basis through December 31, 2026, based on reasonably available data and established reporting practices.

The Society plans to recap these issues further in its forthcoming comment letter in response to the Notice of Proposed Rulemaking.

² See, e.g., Society: [Key Takeaways from October 22, 2025, Meeting with Senator Stern](#) | October 2025; [Society Letter to CARB in Response to Request for Comments Following August 21, 2025 Public Workshop](#) | September 2025